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**Fifth Committee**

**Summary record of the 26th meeting**
Held at Headquarters, New York, on Friday, 13 November 1998, at 10 a.m.

*Chairman:* Mr. Abelian ..... (Armenia)
*later:* Ms. Brennen-Haylock (Vice-Chairman) ..... (Bahamas)
*later:* Mr. Abelian (Chairman) ..... (Armenia)
*Chairman of the Advisory Committee on Administrative and Budgetary Questions:* Mr. Mselle

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*The meeting was called to order at 10 a.m.*

**Agenda item 119: Human resources management** *(continued)* (A/52/814; A/53/266, A/53/327, A/53/342, A/53/375 and Corr.1, A/53/385, A/53/414, A/53/501, A/53/502, A/53/526 and Add.1, A/53/548, A/53/642; A/C.5/52/2; A/C.5/53/L.3)

1. **Mr. Paschke** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services on the audit of the employment of retirees (A/53/642), said that the audit had been conducted in order to assess compliance with General Assembly decision 51/408. Of the 165 recruitment cases considered, which represented about 21 per cent of the 759 retirees employed during the reporting period (1995–1997), there were 64 cases of non-compliance with General Assembly decision 51/408 or other directives. One of the problems identified was the fact that the existing directives provided no standard definition of the term "retirees"; that had led to a number of inconsistencies in the recording of data on retirees and their treatment in the computerized personnel and payroll systems, including the Integrated Management Information System (IMIS). The absence of such a definition partially explained the different views within the Secretariat as to whether the provision of decision 51/408, which limited the employment of retirees to a maximum of six months per calendar year, was applicable to all retirees, or only to those in receipt of a monthly pension from the United Nations Joint Staff Pension Fund. However, the report concerned not only the so-called "double-dipping" practice, but also the broader adverse effects of employing retirees, including the impact on the recruitment and promotion of regular staff. The General Assembly might wish to clarify whether the provision in question applied to retirees in general.

2. Other problem areas identified by the audit included the relatively high proportion of retirees recruited during the period 1995–1997 as against the total number of staff in all categories recruited by the Secretariat during the same period; the relatively significant number of retired language services staff hired on a non-local basis, involving substantial additional costs such as air fare and per diem; the lack of control over the recruitment of retirees under special service arrangements or on a when-actually-employed basis, which had resulted in retirees' being paid in excess of the limits established by the Assembly; gender imbalance in the recruitment of retirees during the period in question; and, finally, the recruitment of a number of retirees on short-term contracts without prior clearance from the Medical Services Division of the Secretariat. The report of the Office of Internal Oversight Services included recommendations intended to address the shortcomings identified by the audit.

3. **Mr. Herawan** (Indonesia), speaking on behalf of the Group of 77 and China, said that Member States should provide strategic guidelines for human resources management reform, which should be carried out only with the prior approval of the General Assembly. He took note of the commitments made by the Secretary-General in paragraph 5 of his report on human resources management reform (A/53/414) and of the 10 key elements outlined in paragraph 9, and looked forward to the Advisory Committee's comments on that important document. The Group of 77 and China attached great importance to the improvement of human resources management and welcomed the Secretary-General's assurances that the reform was not an exercise in budget reduction or a means of funding the Development Account.

4. Member States should monitor closely the establishment of effective accountability mechanisms, including internal monitoring and control procedures, and of an effective internal justice system — an essential corollary to the delegation of authority. Owing to the late issuance of documents and to the fact that the Advisory Committee's reports were not yet available, discussion of the item should not be concluded until Member States had had time for thorough consideration. The Group of 77 and China looked forward to receiving further information from the Secretariat, in particular, on potential obstacles to implementation of reform. The new concept of accountability implied that performance management, which was essential in monitoring accountability, should include not only incentives, but also sanctions and penalties for failure. The Group of 77 and China would address that issue in the context of the report on performance management (A/53/266). The Office of Human Resources Management should remain the central policy authority responsible for monitoring the application of existing regulations.

5. Staff representation from developing countries, which comprised 74 per cent of the States Members of the United Nations, was rather low at the senior and policy-making levels. It was, therefore, important for the Secretary-General to appoint staff members to those posts on a wide and equitable geographical basis, as the General Assembly had requested in its resolution 49/222, particularly as a number of senior staff, including those from developing countries, would retire between 1998 and 2002. In that regard he asked the Secretary-General to provide additional information on the implementation of that resolution. While it was encouraging that the representation of women in the Secretariat had improved (A/53/375, A/53/376), greater

effort should be made to recruit more women from developing countries, particularly to high-level posts.

6. The increase in the number of resignations was disturbing, and the Secretariat should provide a comprehensive report describing any steps taken to halt the trend.

7. With respect to the use of consultants, the Group of 77 and China were concerned at the weaknesses in internal control identified in the report of the Secretary-General on the activities of the Office of Internal Oversight Services (A/52/814). He emphasized that the selection of consultants should be based on the principle of equitable geographic distribution; the recommendations on that matter contained in document A/53/385 should be thoroughly examined and, to that end, the conclusion of the general discussion should be postponed since the related reports of the Advisory Committee were not yet available.

8. **Mr. Šimonović** (Croatia) said that his Government completely supported the Secretary-General's overall programme of reform and fully endorsed the idea that the staff was the Organization's most valuable asset. It was essential to modernize and reform the United Nations without delay so that, on the eve of a new millennium, it could be revitalized by strengthening the partnership between Member States, the Administration and the Secretariat.

9. As a global organization, the United Nations should have among its staff representatives of all 185 Member States. The quality of candidates and the need for equitable geographical distribution were two crucial elements to be considered in the recruitment of new staff. Furthermore, those two elements were not at all mutually exclusive, since qualified candidates could be found in each of the geographical regions, if appropriate efforts were made. While national competitive examinations were the best method, the unreasonable delays experienced by many candidates who had been on the roster for several years was discouraging; some had been waiting since 1993, such as a Croatian candidate and a Japanese candidate, who had been offered positions only in 1998. The Organization should not allow itself to treat potential staff members in that manner. At the same time, it had been noted (A/53/375, para. 61) that the overall average age of the staff was 45.5 years, and that the average age in the Director category was 53.9 years. In the interests of reform, therefore, the Organization must attract young, ambitious men and women, rather than discouraging them.

10. Another problem, which pertained especially to new countries, was the lack of national staff holding higher-level appointments, especially since the Organization's financial problems limited the career prospects of the already small number of staff from those countries. In any case, the recruitment process should be simplified in the interests of transparency. With regard to equitable geographical distribution, while it was indeed encouraging to note that the number of under-represented and unrepresented States had decreased, there were still 34 countries in those two categories, whereas 13 States were still over-represented. The number of senior staff from Eastern Europe had decreased by 31 per cent in the last four years, which was troubling.

11. With regard to the gender balance within the Secretariat, progress had been made in the past 10 years: the percentage of women had risen from 26.3 per cent in 1988 to 36.9 per cent in 1998. Much remained to be done, however; the distribution was particularly unfavourable for women from the Eastern European region, since in comparison with their male counterparts, women accounted for only 14.2 per cent of those recruited to Professional and higher-level posts in the Secretariat.

12. His delegation, which like other delegations was concerned at the fact that resignations outnumbered retirements, emphasized the importance of career development so as to encourage competent staff members to stay in the Organization.

13. While the delegation of authority was one of the available means of simplifying the recruitment process, it must be accompanied by guarantees of full respect for the principle of equitable geographical distribution. In that context, it was a good idea to publish vacancy announcements on the Internet, as that would increase transparency and accessibility in the recruitment process.

14. **Ms. Nahata** (India) welcomed the efforts of the Secretary-General to improve efficiency and establish a better management culture within the Organization. Her delegation fully associated itself with the statement made by Indonesia on behalf of the Group of 77 and China, and reiterated that reforms should be focused on the primary objective of strengthening the United Nations. The step-by-step implementation in consultation with the staff, of a performance appraisal system combined with performance awards and bonuses, and of a strengthened monitoring mechanism and a staff development programme (A/53/266), should result in the establishment of a proper management culture involving managers at all levels. Her delegation looked forward to the detailed modalities to be chosen to achieve those goals. It was especially important that the new policies should be totally transparent, fair and reasonable.

15. Her delegation was concerned mainly with ensuring that human resources management was in conformity with the mandates set out by the General Assembly, that the recruitment process was simplified, that career development was improved and that the delegation of authority was accompanied by measures to safeguard the staff against arbitrariness, discrimination and unfair treatment. The United Nations should make an effort to recruit more qualified women candidates from the developing world; the question arose whether stricter adherence to the Noblemaire principle could reduce the number of resignations.

16. With regard to the composition of the Secretariat, it seemed somewhat simplistic to emphasize only the posts subject to geographical distribution, which were a minuscule percentage of the overall posts within the United Nations system. While it was understandable that some posts could not, for various reasons, be covered by the desirable ranges, other categories should be included within them, particularly Field and General Service posts. Recruitment should take place on a much wider geographical basis without in any way comprising efficiency, so that all posts in the Organization, not simply those currently subject to geographical distribution, would be fully representative of the diversity of experience available throughout the world. It was important, therefore, to ensure parity between the membership and contribution factors in the application of desirable ranges, since the Organization was based on the principle of sovereign equality of its members, not on their relative prosperity, and to review the weight of the population factor, which had gone from 8.7 per cent to 7 per cent in 1985 and then to 5 per cent in 1987, contrary to the recommendation contained in General Assembly resolution 41/206 C. That anomaly should be rectified and the weight restored to its earlier level.

17. **Mr. Toba** (Togo) said that his delegation, while endorsing the statement made by Indonesia on behalf of the Group of 77 and China on the subject of the reform of human resources management, wished to point out that the aim of that reform should be to satisfy both the States Members and the staff of the United Nations. While many of the new principles recommended in the report (A/53/414) were commendable, the delegation of greater authority to staff members could not fail to arouse some concerns; it was essential that those new powers should be exercised in a transparent and equitable manner, with respect for the principle of equitable geographical distribution, so that the efforts to achieve gender balance and to take the linguistic factor into account in the area of recruitment and assignments would not be thwarted. Accordingly, the delegation of authority should be accompanied by a strengthened monitoring mechanism, combined with obligations of result and with penalties.

18. **Mr. Cho Chang-Beom** (Republic of Korea) said that his delegation generally supported the measures proposed by the Secretary-General in the various reports on human resources management (A/53/266, A/53/342 and A/53/414), as it believed that the delegation of authority to programme managers was an integral part of the reform of human resources management; at the same time, such a measure required the establishment of an effective and transparent accountability mechanism, as requested by the General Assembly. His delegation hoped for speedy progress in that area.

19. The measures taken to refine and simplify the performance appraisal system (PAS) (A/53/266) gave rise to the hope that PAS, an important component of the new management culture, would soon be firmly established throughout the Organization, combined with performance rewards and bonuses as well as penalties.

20. His delegation noted with concern that there were more resignations than retirements from the Secretariat, particularly since nearly two thirds of resignations by staff in the Professional category were at the P-2 and P-3 levels. Combined with an age imbalance (only 25 per cent of staff members were under 40 years old, and only 3 per cent under 30), that situation suggested that the Organization was not making enough efforts to bring in new talent and young staff. At the same time, it was unacceptable that recruitment took an average of 461 days, and that a successful candidate in a national competitive examination had to wait for several years without any idea of when a post would be offered to him. National competitive examinations should continue to serve as a primary recruitment tool for entry-level posts, but attention should also be paid to the long list of selected candidates waiting for job offers.

21. There was also a need to determine whether the current career development policy adequately responded to the career aspirations of the staff. In that regard, his delegation took note of a number of constructive measures described in the report of the Secretary-General (A/53/414) aimed at enhancing mobility, continuous learning, and flexibility in reassignments.

22. With regard to geographical representation, his delegation welcomed the continued decrease in unrepresented and under-represented countries and the increase of countries within the desirable range; it also welcomed the increase in the number of women at the senior director levels, although the proportion was still far below the target level of 50/50 gender distribution by the year

2000. Noting that a total of 1,223 staff (11 per cent of the staff) would be retiring over the next five years (A/53/375, para. 94) and that the majority of them were men, he believed that there would be an opportunity to bring in young talent, while redressing gender and geographical imbalances and increasing mobility within the Secretariat.

23. **Mr. Chowdhury** (Bangladesh) said that Bangladesh continued to support human resources management reform. His delegation supported the statement made by the representative of Indonesia on behalf of the Group of 77 and China, but wished to make some comments on the report of the Secretary-General (A/53/414). Bangladesh reiterated that it must be borne in mind that it was for Member States to provide strategic guidance for human resources management, as in the case of any other reform measures, and that the role of the Secretariat was to implement the guidelines as effectively as possible.

24. A balance must be struck so that staff members, while subject to the requirement of accountability, were able to be creative and flexible in the performance of their responsibilities, since otherwise there would be no real delegation of authority. In that connection, the vertical dialogue up and down the line of management advocated in the report was worth pursuing. It was also encouraging to note that efforts had been made to simplify the performance appraisal system. However, guidelines needed to be given to managers so that their enhanced powers did not create a restrictive atmosphere for the staff, but brought out the best in them, in a working environment which respected the multicultural nature of the United Nations.

25. Concrete measures should be taken to devote adequate resources to staff training; the Organization, managers and staff members should cooperate in developing an effective strategy for career planning, that would attract young professionals.

26. With regard to the composition of the Secretariat (A/53/375), the report drew attention to the need to develop a long-term recruitment plan and streamline the recruitment procedure, particularly so as to ensure more equitable geographical representation (only 10 countries provided almost half the Professional staff in the Secretariat), on the understanding that national competitive examinations offered the best means of recruitment at the entry level.

27. His delegation feared that the increase in the number of staff occupying posts financed from extrabudgetary funding compared with staff members in posts funded from the regular budget would have repercussions on the morale of staff members. It was gratifying, however, that the Secretary-General had indicated that reform was not an exercise in budget reduction and would not be a way to fund the Development Account.

28. The International Civil Service Commission (ICSC) had a significant role to play in reform. ICSC itself was not part of the reform process, however, and it was not the time to review the composition, mandate and functioning of ICSC.

29. **Mr. Yel'tchenko** (Ukraine) said that Ukraine continued to attach great importance to the question of human resources, to which the United Nations devoted 70 per cent of its budget. The strategy outlined in the report (A/53/414) seemed likely to be more successful than in previous years.

30. The delegation of authority, designed to streamline administrative procedures and eliminate duplication, should be accompanied by well-designed mechanisms of accountability, including the necessary internal monitoring and control procedures, so that managers at all levels reported on action taken to remedy shortcomings of their subordinates. The Office of Human Resources Management should therefore continue to set the general policy for human resources management and conduct periodic management reviews.

31. With regard to the performance appraisal system, his delegation questioned the rationale for creating a management review panel, which would duplicate the work of the joint monitoring committees. Ukraine expected more detailed information on that proposal. Staff members should be motivated with competitive compensation packages and rewards for superior performance — to restore a sense of pride in their work — while underperformance should be promptly penalized through withholding of within-grade increments, non-renewal of fixed-term contracts or separation.

32. Ukraine, which was pleased that the proportion of permanent appointments to posts subject to geographical distribution had been brought down to 70.3 per cent, believed that the objective should be to achieve an equal proportion of permanent and fixed-term appointments, so as to bring new blood into the Organization. It also believed that the only way of revitalizing the Organization was to ensure that there were equal opportunities for internal and external candidates and that at least 30 per cent of posts at the P-4 level and above were filled by external candidates. Secondment from government service should continue to be utilized.

33. Ukraine noted with regret that the situation of its nationals in the Secretariat remained unchanged. Despite the

measures taken to ensure a more equitable geographical representation of Member States at senior levels, and despite the assurances it had received, Ukraine continued to be excluded.

34. With regard to the objective of gender equality in the Secretariat, he said that what really mattered was that preference should be given only to those female candidates whose qualifications were equal or even higher than their male competitors. His delegation deplored the lengthy and defective recruitment process.

35. The Secretariat must resort to the use of consultants only in exceptional cases. Responsibility for the contracting of such personnel should be assigned to programme managers, while the Office of Human Resources Management (OHRM) should continue to be responsible for policy guidance and for follow-up and monitoring activities. As for the audit by the Office of Internal Oversight Services (OIOS) of the use of consultants, it was regrettable that the relevant departments and offices had failed to provide complete and consistent information in a timely manner.

36. Lastly, Ukraine was deeply concerned at the deteriorating situation in the area of security of staff and called upon the Governments concerned to honour their obligations under the Charter of the United Nations and the Conventions on the Privileges and Immunities of the United Nations and of the Specialized Agencies.

37. **Mr. Liu Yanguo** (China) said that in order to perform the tasks mandated by the General Assembly, the Secretariat must develop a management culture that matched its own multicultural characteristics and have a competent and versatile staff. In that connection, Member States needed to be more fully informed not only of developments that were envisaged and of the progress achieved but also and above all of the difficulties that were encountered in the process.

38. China agreed with the explanations given by the Secretary-General in his report on human resources management (A/53/342) on the subject of the delegation of authority and was of the view that measures to establish a management review panel and to let managers be responsible for personally defending their administrative decisions before the appellate bodies should be put in place without delay. In that regard, the content of paragraph 3, part II, of Assembly resolution 51/226 should be implemented. Emphasis should be placed on the training of managers so that they clearly understood the nature of their responsibilities. He welcomed the establishment of the Integrated Management Information System (IMIS), which both facilitated decision-making in the Secretariat and allowed Member States to get an overall view of the situation.

39. China viewed with concern the reduction in the number of its nationals serving in posts subject to geographical distribution. With attrition, that number could soon slip below the desirable range. He hoped that the Secretariat would take steps to redress the situation. China was very committed to the principle of equitable representation of Member States in the composition of the Secretariat. It was a distortion of the Charter to emphasize the criteria of efficiency, competence and integrity of staff at the expense of geographical representation. Similarly, considerations of cost should not be allowed to undermine geographical representation in the hiring of consultants.

40. China supported the Secretary-General's proposal to postpone consideration of the dual-track system of career and non-career appointments and looked forward to more detailed explanations from OHRM. It supported the further development of the human resources planning system and recommended that OHRM should use the system in its decision-making process. His delegation believed, lastly, that the United Nations and its Member States should strengthen their cooperation in the area of human resources management reform.

41. **Mr. Lavrov** (Russian Federation) welcomed the steps that had already been taken to streamline the structure and work of the Secretariat, but was disappointed that the measures proposed in the report of the Secretary-General (A/53/414) lacked specificity, contained no analysis of potential problems, remained silent on the question of participation by Member States and left unclear the financial implications of the exercise.

42. Since it was proposed to increase funding for training activities and for programmes to improve the professional skills of staff, in order to prevent the Organization from becoming a permanent retraining centre, it would be more efficient and, more importantly, less expensive to recruit experts for fixed terms and for specific projects. The idea of training "universal" workers capable of performing functions in various departments held no promise, given the increasing specialization of the workforce. It would serve no purpose, moreover, to retrain those members of staff who were considered by some as "dead wood" and who should simply be let go.

43. The decentralization of personnel management could enhance the accountability of department heads and programme managers, who would have an opportunity to hire highly qualified experts, including those from outside the Organization, to deal with emerging tasks. It would be

difficult, however, to tackle the new challenges when 70 per cent of staff were on permanent contracts. It should be mentioned that an effort at decentralization had been made in the 1970s but had had to be discontinued because department heads had no longer had the time to devote to the effective management of programme activities per se. Care should be taken to avoid making the same mistakes and above all not to entrust to department heads functions which were already being carried out by OHRM.

44. In his report, the Secretary-General did not provide the necessary detailed information on the introduction of a dual-track system, which should be a cornerstone of the new human resources management policy and appeared to have disregarded the work done by the International Civil Service Commission (ICSC) in that area. Since, on the other hand, the report reviewed the composition, mandate and functioning of ICSC, the Russian Federation wished to draw attention to the fact that consideration of that matter was the exclusive prerogative of the General Assembly.

45. The Russian Federation supported the extension for a few more years of the freeze in career appointments, which had been introduced in order to achieve the 70 per cent level for permanent appointments to posts subject to geographical distribution. It was strongly in favour of further reducing that type of appointment throughout the Secretariat, given that fixed-term contracts provided greater flexibility during periods of reform. ICSC and the Joint Inspection Unit (JIU) should be requested to prepare a comprehensive study on a gradual transition of the United Nations towards that type of contract, for presentation to the General Assembly at its fifty-fourth session.

46. The Russian Federation supported the expansion of the practice of seconding personnel to the United Nations. It was concerned at the fact that the number of senior-level posts remained unchanged and was even increasing in certain cases, while the number of junior-level appointments in the Professional category was going down significantly, contrary to the wishes of the General Assembly to correct the grade structure of the Secretariat.

47. On the subject of the Performance Appraisal System, the Russian Federation welcomed the introduction of non-monetary awards, as had been suggested by ICSC, and the intention of the Secretary-General to fight against poor performance in the most serious way. It understood paragraph 43 of the report (A/53/266) to mean that documented poor performance not only could but must also be grounds for termination by the United Nations of a probationary appointment.

48. His delegation would welcome additional information on the funding and composition of the Joint Monitoring Committee and the Global Joint Monitoring Committee (A/53/266, para.14). It noted with regret that the mechanism for monitoring the Performance Appraisal System had been vaguely presented and that no mention had been made of the role of Member States.

49. Even though it welcomed the progress that had already been made (A/53/376), the Russian Federation remained cautious about the recommendation that programme managers should develop plans of action with specific targets for achieving gender balance in their departments, since efficiency, competence and integrity should be the principal criteria used in the recruitment of staff.

50. Member States should ensure that those responsible for attacks on United Nations personnel (A/53/501) should be punished and that such incidents were thoroughly investigated. The Conventions on the Privileges and Immunities of the United Nations and of the Specialized Agencies must be adhered to and in-depth discussions held on the question of financing security measures for personnel.

*Ms. Brennen-Haylock (Bahamas), Vice-Chairman, took the Chair.*

51. **Mr. Christian** (Ghana) said that his delegation agreed with the assertion of the Secretary-General that accountability was integral to an organizational culture of empowerment, but believed that satisfactory accountability mechanisms should be developed, particularly in respect of financial resources. The Office of Human Resources Management must develop strategies and policies, provide guidance to managers and monitor delegated authority as part of the new partnerships between the Office, department heads and staff.

52. His delegation noted in particular that the Office of Human Resources Management was compiling a skills inventory on a computerized database that would be used to manage placement and facilitate staff development and that it had established a list of qualitative and quantitative indicators that would provide an overview of trends in human resources development (A/53/414, para. 17). His delegation appreciated the work done to simplify, rationalize and modernize various staff rules. It welcomed the efforts to rationalize the administration of justice and hoped that requiring managers to defend their own decisions, with the support of OHRM, would serve as a strong mechanism for accountability and ensure that justice was done.

53. His delegation was encouraged to learn that staff development and learning programmes had been refocused

and that new, targeted programmes were being implemented for staff at all levels. The Organization should therefore consider increasing its investment in training to the level found in other funds and programmes of the system.

54. Ghana welcomed the revision and simplification of the Performance Appraisal System to link performance more directly to career progression and supported the step-by-step approach recommended by the Secretary-General (A/53/266, paras. 24–27), for both rewards and sanctions. Lateral mobility must also be encouraged, along with exchanges and rotation of functions within departments and missions. Finally, his delegation welcomed the steps taken to improve the conditions of service of staff, including the introduction of alternative work schedules and the simplification of the remuneration package for staff on limited-duration appointments.

55. **Mr. Mekprayoonthong** (Thailand) said that his delegation fully supported the statement made by the representative of Indonesia on behalf of the Group of 77 and China. The Organization should invest a larger share of its resources in training, which should be considered a matter of priority. In that regard his delegation welcomed the establishment of the United Nations Staff College in Turin.

56. Gender balance in the Secretariat had virtually been achieved, but a closer look revealed that women held 36.1 per cent of Professional posts as against 62 per cent of General Service posts (A/53/375). Their representation at senior grades was even lower. Emphasizing the need to rejuvenate the Organization, his delegation also feared that the reduction in the number of junior posts would hamper the recruitment of younger staff. The Organization would face difficulties within 10 years if that situation was not addressed. His delegation took note of the Secretary-General's assurances that human resources management reform was not an exercise in budget and staff reduction and was not a way to fund the Development Account. Nor did it mean a direct application of management practices from the private sector, even though they had much to teach the Organization.

57. **Ms. Incera** (Costa Rica) said that she fully supported the statement of the representative of Indonesia on behalf of the Group of 77 and China. Her delegation believed that the report of the Secretary-General (A/53/414) should be examined in detail and would welcome the related comments of ACABQ before making a statement.

58. She noted with concern that much remained to be done to ensure equitable representation of Member States: as at 30 June 1998, 24 countries had not been represented. Costa Rica had only four staff members in the Secretariat and no women with management responsibilities, although her country had proposed two women candidates who had the necessary skills and experience for the posts to be filled. In her view the Secretariat had been given too much latitude in its interpretation of General Assembly guidelines for the recruitment of nationals from under-represented countries. Referring to paragraph 12 of document A/53/375, she requested a status report on regular budget posts vacant as at 31 October. She asked the Secretariat to provide in a conference room paper detailed explanations of why those posts had not been filled.

59. Concerning the note by the Secretary-General on internal vacancies in the Secretariat (A/53/327), her delegation would like to hear the Secretariat's views of the impact which the general application of the interpretation given by the Administrative Tribunal in judgement No. 852 (*Balogun*) would have on the representation of Member States. It would particularly like to know whether, in the interest of improving women's representation in the Secretariat, women recruited under the 200 series and holding posts below the P-5 level had been authorized to apply for posts reserved for internal candidates. In addition, she would like to know if, as paragraph 14 of the comprehensive guidelines for the use of consultants in the Secretariat (A/53/385) would seem to indicate, cost considerations could prevail over the principle of equitable geographical distribution.

60. Her delegation was concerned that the employment of retirees could pose an obstacle to the advancement of permanent staff and would like to have more details. Finally, her delegation reiterated its support for the practice of recruitment by examination and requested more detailed information from the Secretariat on how such examinations were organized and the human and financial resources available for that purpose.

61. **Mr. Abreha** (Ethiopia) said that after careful study of the report of the Secretary-General on respect for the privileges and immunities of officials of the United Nations and the specialized agencies and related organizations (A/53/501), his delegation found it necessary to provide clarification of the matter raised in paragraph 68. As a founding Member of the United Nations and the host country of the Economic Commission for Africa and other international organizations, Ethiopia had always cooperated fully with the Organization. However, in violation of Article 100 of the Charter, certain Eritrean staff members of the United Nations in Addis Ababa had been involved in clandestine activities and had played a decisive role in planning the "internal war" that the Eritrean leader had threatened to unleash against Ethiopia.

62. The individuals in question were active members of extensive clandestine intelligence networks established by the Eritrean Government and the Eritrean People's Liberation Front (EPLF) for the purpose of keeping watch on the Eritrean population residing in Ethiopia, establishing an infrastructure for EPLF operations in Ethiopia and mobilizing resources, in particular through businesses controlled by EPLF or the Eritrean Government which contributed to the financing of EPLF operations in Ethiopia. Such activities were clearly incompatible with their status as international civil servants.

63. However, it was only after his Government had conducted a thorough investigation and consulted senior officials of the United Nations in Addis Ababa over a period of two months that it had arrived at the decision to deport those individuals who posed a threat to Ethiopia's vital national security interests. Rather than arresting and prosecuting the staff concerned, who had been recruited locally by the United Nations, his Government had opted to declare them *personae non gratae* in accordance with its domestic law and international law.

64. Before implementing its decision, his Government had held consultations with officials of the United Nations in Addis Ababa and the staff members concerned had participated directly in the process. As a result, 12 Eritrean United Nations staff members had been authorized to remain in Ethiopia and only 17 had been deported. Since that information had been communicated to the United Nations agencies in Addis Ababa as early as 7 September 1998, it was regrettable that it had not been reflected in the Secretary-General's report.

65. Moreover, the term "Ethiopian staff of Eritrean origin" used in the report was not accurate. Ever since the Eritrean people had decided, by referendum, to establish an independent State, those Ethiopians who had opted to become Eritreans had had no nationality other than Eritrean. His delegation hoped that the United Nations would not persist in its position with regard to individuals whose presence had posed a grave danger to the security of Ethiopia.

66. **Mr. Grkov** (The former Yugoslav Republic of Macedonia) said that he was satisfied with the ongoing reforms in the area of human resources management, including improvements with regard to gender representation in the Secretariat, especially at the D-1 level. It was regrettable that more vigorous measures had not been taken to ensure balanced geographical representation. Although the upper limit of his country's desirable range was 14, it was not represented among staff members with permanent appointments.

67. He expressed the hope that the recruitment process would be speeded up and focused on attracting younger people. While the national competitive examinations were important for recruitment at the entry level, they should sometimes be waived in the case of unrepresented or under-represented countries presenting candidates with the required skills and experience.

68. In order to reverse the trend towards an increase in the number of resignations, especially among young Professionals at the P-2 and P-3 levels, an appropriate career planning scheme should be developed. Moreover, he was deeply concerned about the continuing violation of the privileges and immunities of staff members of the Organization and demanded that all appropriate steps should be taken to protect both internationally and locally recruited United Nations staff.

**Agenda item 144: Report of the Secretary-General on the activities of the Office of Internal Oversight Services** (A/51/432, A/51/530 and Corr.1 and A/51/801; A/52/426 and A/52/464; A/53/428)

69. **Mr. Sulaiman** (Syrian Arab Republic) welcomed the fact that the Office of Internal Oversight Services (OIOS) had actively participated in the debate on enhancing oversight and coordination with the Board of Auditors and the Joint Inspection Unit. However, it was regrettable that the Office did not reflect in its report (A/53/428) the comments of programme managers who, because of their functions, were the most conversant with the situation in the different services.

70. In his view, OIOS should already have been aware of the discussions that had been held on the United Nations Truce Supervision Organization (UNTSO), especially in the context of the consideration of the programme budget for the biennium 1998–1999. The Office knew that the UNTSO budget was separate from that of peacekeeping operations in general and from those of the United Nations Interim Force in Lebanon (UNIFIL) and the United Nations Disengagement Observer Force (UNDOF) in particular, yet it had proposed a reduction in the staffing of UNTSO, notwithstanding the sensitive political situation in the region. In line with the position it had always taken in that respect, his delegation opposed the proposal. Any such proposals should be submitted in accordance with established procedure during the consideration of the programme budget, for example, and not through OIOS.

71. He wondered why the ongoing investigation concerning forged documents (para. 143) had been mentioned in the report since Mr. Paschke had stated, upon being asked about the outcome of another investigation, relating to UNDOF, that he had not broached that subject because the investigation was not yet over. In view of that contradiction, the Under-Secretary-General for Internal Oversight Services should provide clarification as to the procedure followed in such matters. It would also be helpful for the Under-Secretary-General to shed more light on the recommendation relating to UNDOF (para. 32) and the rental subsidy scheme in Israel where, contrary to the governing administrative instruction (para. 82), some locally recruited staff members were paid rental subsidies.

72. He commented on the translation of the word "oversight" in the Arabic version of the report.

73. **Mr. Sklar** (United States of America) said that the wisdom of creating an independent internal oversight entity in the Organization had once again been demonstrated by the results achieved by the Office of Internal Oversight Services. The Office's recommendations were widely implemented and had produced not only some real savings (more than 10 million dollars in 12 months) but had helped to improve the management of the United Nations and to secure considerable productivity gains. The report on the Office's activities (A/53/428) was remarkable for its readability and concision. The box on page 11 in particular clearly brought out the objectives of the Office. The Joint Inspection Unit and the Board of Auditors had made efforts to improve the readability of their reports and the Advisory Committee on Administrative and Budgetary Questions should follow suit.

74. He was pleased to read in the preface to the report that the new management culture had resulted in significant improvements, with more horizontal communication and transparency, more cohesion and cooperation within the United Nations, all of which were essential to the Organization's efficiency. The adoption of guidelines designed to give programme managers a frame of reference for monitoring and evaluation of programmes was an important initiative which would help to ensure the consistent application of rules in those areas as well as in matters of programme planning and budgeting. In addition, by drawing upon the guidelines of the International Organization of Supreme Audit Institutions (INTOSAI), the United Nations demonstrated its determination to observe the same control principles that virtually all Member States had agreed to.

75. While his delegation welcomed the enhanced coordination and cooperation among the oversight bodies of the United Nations, including OIOS, the Joint Inspection Unit and the Board of Auditors, those bodies would still have to agree on the specific goals of their coordination efforts and report on progress made in achieving them.

76. With regard to paragraph 9 of the report, the Legal Counsel had been of the view that implementation of the Secretary-General's proposals for enhancing internal oversight in the operational funds and programmes was already possible. His delegation was pleased to note that a number of funds and programmes had done so on their own, and had even sought additional assistance from the Office. With regard to the Office itself, his delegation viewed the focusing of its activities in a handful of major priority areas, including human resources management, which it planned to add, as positive.

77. His delegation would appreciate information on a number of points raised in the report. It wondered how the anomalies noted with respect to the staffing of the United Nations Military Observer Group in India and Pakistan (UNMOGIP) could have arisen and whether the internal control weaknesses at the root of the problem (para. 20) had been corrected. It also wondered what measures had been taken to correct the excess staffing of the United Nations Truce Supervision Organization (UNTSO) (para. 30). It hoped that the actions already taken would help to prevent a recurrence of the very serious procurement problems which had arisen in the United Nations Angola Verification Mission (UNAVEM) and expressed concern at the slow progress in resolving other issues, particularly in the area of accounting (para. 24). His delegation also wished to know whether weak internal controls similar to those found at one of the field offices of the United Nations High Commissioner for Refugees (UNHCR) (para. 44) had led to similar abuses in other operational activities, and what measures had been taken, where necessary, to correct the situation.

78. With regard to the table in paragraph 77, his delegation would be curious to know how long the longest and shortest recruitment periods had been. The Secretariat should describe any recent achievement designed to reduce the average. With regard to the case mentioned in paragraph 100, he wondered how it could be that virtually the entire budget for a training project had been used to pay stipends to the project manager. Lastly, he wished to know how much had been recovered from staff members who had obtained excessive education grants (para. 140) and how much remained outstanding. Information should be provided on any measures taken to tighten controls in order to prevent the recurrence of such fraud.

79. With regard to the protracted debate in the Fifth Committee on the role of the Office of Internal Oversight Services, he said that no one questioned the fact that the Office was an internal oversight body and, as such, reported to the Secretary-General. Many delegations feared that the Office might be exceeding its mandate and dealing with questions that were within the province of the General Assembly; however, that situation had arisen in only a few cases and Member States could always request an opinion from the Legal Counsel. His delegation believed that it was the role of the Office of Internal Oversight Services to draw the attention of Member States to any case of insufficient productivity or poor results, and that, in doing so, the Office was merely offering its comments.

80. Despite the progress achieved by the United Nations with regard to internal oversight — and he welcomed, in particular, the development of the investigative function — much remained to be done. Large gaps remained in the area of evaluation. His delegation therefore called on the various components of the Secretariat to implement fully, with assistance from the Office of Internal Oversight Services, the existing Guidelines for Programme Monitoring and Evaluation. Thus, the Member States themselves could decide to terminate any activities that could be better performed elsewhere.

*Mr. Abelian (Armenia) resumed the Chair.*

81. **Mr. Darwish** (Egypt) welcomed the fact that, in future, internal oversight services would be an integral part of the Organization's new management culture. Cooperation between the Office of Internal Oversight Services and other oversight bodies, particularly the Board of Auditors and the Joint Inspection Unit, would enable the United Nations to enhance its effectiveness in all sectors. His delegation noted with satisfaction that the activities of the Office had enabled the Organization to save $21.2 million during the reporting period. He supported the priorities set by the Office (peacekeeping missions, humanitarian affairs and procurement). He welcomed the development of horizontal communication and noted that the opinions of the executive directors of the funds and programmes must be heeded. His delegation hoped that the current staff of UNTSO would be maintained in view of the sensitive political situation in its area of operation.

82. **Mr. Monayair** (Kuwait) said that his country, which was financing two thirds of the budget of the United Nations Iraq-Kuwait Observer Mission (UNIKOM), wished to know what portion of the incorrect payment of mission subsistence allowances to the Mission's military and civilian personnel (para. 37) had been recovered, and why no action had been taken to put an end to such payments, even though they had been pointed out by the Board of Auditors. Kuwait bore no responsibility in that matter and hoped to recover its share of the total overpayment, amounting to $4 million. Moreover, his delegation favoured maintaining the UNTSO staffing and budget.

83. **Mr. Paschke** (Under-Secretary-General for Internal Oversight Services), replying to questions posed by the representative of Pakistan under agenda item 144, said that the General Assembly had entrusted the Office of Internal Oversight Services with audit and investigative — as well as inspection and evaluation — functions. The internal audit complemented the external audit functions fulfilled by the Board of Auditors and in no way duplicated them. With regard to the opinion of the Advisory Committee on Administrative and Budgetary Questions concerning the internal control standards developed by the International Organization of Supreme Audit Institutions, he said that while the Advisory Committee considered them to be too general, it had been opposed to neither their publication nor their implementation. The internal oversight standards developed by supreme oversight bodies of the world community in that area could be an extremely useful yardstick for the United Nations.

84. The conference held in Montreux, mentioned in the preface to the report, had been a symposium on internal oversight in which representatives of Member States and of various oversight units from the United Nations system had participated. The entire conference had been financed by the Government of Switzerland.

85. Rarely did programme managers disagree with the Office's conclusions, for the simple reason that they were the culmination of a dialogue between the Office and management, and the Office sometimes agreed to compromises in order to ensure that its recommendations would be implemented. In the rare cases where consensus could not be reached, the Secretary-General had encouraged another round of dialogue and had always sought to reach a compromise solution.

86. With regard to the qualified endorsement given by the Committee for Programme and Coordination (CPC), he said that CPC had indeed endorsed the recommendations formulated in the triennial review. The Lessons Learned Unit had been mentioned only to point out that the Unit did not have the mandate to modify existing policies and procedures. With regard to recommendation 5 of the original evaluation, CPC had merely reiterated its refusal to endorse it.

87. The Office's statement in its report that the recruitment process lacked transparency was intended to express regret

that candidates had no way of knowing the stage their application was in.

88. With regard to the United Nations Conference on Trade and Development (UNCTAD), the Office, fearing that poor internal controls would increase the risk of fraud, had formulated a number of recommendations and was currently monitoring their implementation.

89. With regard to analysis of programme priorities in the report on programme performance for the biennium 1996–1997 (A/53/122 and Add.1), he referred to paragraph 21 and table 1 of the report, which showed high implementation rates for high-priority subprogrammes, mostly higher than the overall rate, and noted that high-priority subprogrammes had accounted for 27 per cent of supplementary outputs added during the biennium.

90. Concerning unspent balances from special missions, he pointed out that because of the unforeseeable nature of such missions they were not mentioned in the proposed programme budget or, therefore, in the programme performance report either. Also, at the end of the biennium and after recalculation there had been a surplus of $9 million as a result of actual exchange rates that had been more favourable than those forecast. As the surplus had appeared only in December 1997, there had been no occasion to mention how it had been used in the programme performance report for the biennium 1996–1997: that had not been decided by the General Assembly until March 1998.

91. Results-based budgeting would enable the United Nations to focus more on qualitative than on quantitative issues, a change which would require thorough preparation on the part of the Organization and should not be rushed into.

92. In response to questions raised by the representative of Algeria, he explained that the term "client" had been deliberately borrowed from the business world to emphasize the type of relationship which internal oversight services should have with those they saw as partners and colleagues, on the basis that the Office of Internal Oversight Services and programme managers had the common objective of making the United Nations as efficient and effective as possible. The Office had requested an additional post to run the computer-based monitoring system for periodically reviewing implementation of its recommendations because however useful computer tools might be, they still needed someone to operate them.

93. Regarding the sums recovered which were shown in the first box on page 10 of the report of the Secretary-General on the activities of the Office of Internal Oversight Services (A/53/428), he noted that the recoveries of $10.2 million were the result of 34 recommendations, including one which alone had resulted in recovery of $7 million. That recommendation had been the outcome of an audit showing that the United Nations had incurred excessive operating costs in connection with the rental of 2 United Nations Plaza. Most of the other recommendations involved errors or omissions on the part of management rather than fraud. Another amount recovered, $100,000, pertained to a fraudulent payment involving the United Nations Angola Verification Mission. Concerning the box on page 11, the 604 recommendations had been grouped into seven categories the better to show the results of the Office's work, and corresponded in part to the $21.2 million in savings and recoveries shown in the first box on page 10. The Office intended to refine its presentation so as to show such additional information as the total dollar value of each category of recommendation. In the matter of the resources allocated to auditing, he referred to his answer to the representative of Pakistan and noted that the Board of Auditors had always commented on the lack of sufficient resources for internal audit.

94. He confirmed that the Registrar of the International Criminal Tribunal for Rwanda disagreed with the Office's conclusions on two disciplinary matters. Dialogue was continuing nevertheless. Concerning the remark in paragraph 9 of the report on the subject of the work of the Fifth Committee, he said that it was a factual statement and not a criticism. H failed to see why the Office should not have the authority to make remarks of that kind in its annual report.

95. Even if the annual report did not contain the programme of work for the following year, it always explained what the Office's priorities had been during the reporting period and also what they would be for the period ahead. More than half of the Office's published reports were mandated by the General Assembly, which therefore shaped a large part of the Office's work. Evaluation and monitoring were determined by legislation through the intermediary of the Committee for Programme and Coordination. Inspection plans, and the general areas to be audited, were presented in the biennial budget. Investigations by their very nature could not be planned in advance.

96. In the matter of giving managers more flexibility in managing their human and financial resources, there was no question at the current stage of anything other than further study and possible action by all those who were part of the programme planning, budgeting and evaluation cycle.

97. In response to questions raised by the representative of Cuba, he said that the remarks in the preface to the annual report were not a formal request for additional resources; they simply indicated what Member States would be asked for in the proposed budget for 2000–2001. The mention in the preface to the report of the conference in Montreux had not been meant to suggest that the event had had any official status for the United Nations. Concerning the $10.2 million that had been recovered, as shown in the first box on page 10, he referred to his earlier answer and explained that he could not provide additional clarification because the choice of what action to take was the responsibility of management. The observation concerning inadequate delegation of human resources management authority referred specifically to duty stations other than New York, and the Office of Human Resources Management was making efforts to address the problem.

98. Concerning the observations made by the representative of Iraq, he rejected in the strongest possible terms the allegation that the media coverage of the disciplinary case referred to in paragraph 143 of the annual report had been based on a leak from the Office of Internal Oversight Services. He confirmed that nothing had been leaked while his Office had been investigating the case, from January to the end of April 1998, and he himself had always refused to comment on it to journalists as the case had still been ongoing. He pointed out that the media had become interested in the issue only after the circle of people with knowledge of the case, including the two staff members in question, had expanded, after the Office had submitted its report to the proper Secretariat authorities. The leaks, which were in the interests of neither the United Nations nor the Office, in no way prejudiced the outcome of the disciplinary procedure.

99. Responding to a question put by the representative of Syria, he pointed out that the brief synopsis of the case in paragraph 143 of the annual report was justified by the considerable quantity of resources which the Investigations Section had been obliged to devote to it. The synopsis had nevertheless been very circumspect in order to protect the staff members' rights. A full report could not be submitted until after the disciplinary procedure was over.

**Agenda item 113: Programme budget for the biennium 1998–1999** (*continued*)

*Office accommodation at the Palais Wilson* (*continued*) (A/53/302)

100. **The Chairman** suggested that the Committee should take note of the report of the Secretary-General on office accommodation at the Palais Wilson.

101. *It was so decided.*

*The meeting rose at 1.20 p.m.*